



June 26, 2015

To: Executive Board

Subject: **June 2015 Legislative Summary**

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### **Recommendations**

1. Receive and file the June 2015 Legislative Summary; and
2. Adopt support positions on ACA 4, AB 338 and SCA 7.

### **Analysis**

A summary of state and federal legislation and its status is attached. Board members should note that staff recommends support positions on ACA 4 (Frazier), AB 338 (Hernandez), and SCA 7 (Huff).

### ***State Legislative Issues:***

Existing law under the California Constitution requires the approval of 2/3 of the voters of the city, county, or special district voting on any new or increase of an existing tax. ACA 4 would provide that the imposition, extension or increase of a special tax by a local government for the purpose of providing funding for local transportation projects requires the approval of 55 percent of its voters voting on the proposition. The new voter approval threshold could lead to more transportation and transit funding and mean additional funds for Foothill Transit.

AB 338 would authorize the Los Angeles County Metropolitan Transportation Authority to impose, by ordinance, an additional local, countywide, one-half-cent sales tax for up to 30 years. It requires Metro to adopt the ordinance and submit the proposal to the voters; and specifies that the ordinance only becomes operative if approved by two-thirds of the voters voting on the measure. AB 338 requires that Metro allocate 20 percent of the revenues for bus operations and that these revenues be allocated based on formulas in existing law. This bill would provide a new operating funding source for Foothill Transit.

SCA 7 would increase funding for transportation infrastructure by \$2.9 billion per year with an additional \$2.4 billion in one-time funds. The funding would come from:

- 1) Ending the diversion of more than \$1 billion in transportation taxes every year and spending this money on roads, highways and bridges;



- 2) Repaying all outstanding transportation loans to the General Fund and direct that money to transportation improvements;
- 3) Making significant efficiency improvements at the State Department of Transportation; and
- 4) Directing money from Cap and Trade funds that are related to fuel to fixing roads.

This bill will assist Foothill Transit's commitment to safety by repairing long overdue maintenance of our local streets and roads and state highway system.

***Federal Legislative Issues:***

Congress continues to debate proposed amendments to the Fiscal Year 2016 appropriations bill for the departments of Transportation and Housing and Urban Development (THUD), while President Obama has threatened to veto the bill in its current form.

Several amendments affecting public transportation were offered and adopted by voice vote. Among those was one presented by Rep. Charlie Dent (R-PA) to increase Amtrak's Capital and Debt Service Grants by \$9 million for the purpose of installing inward-facing cameras. Another, by Rep. Jim Langevin (D-RI), increased Federal Transit Administration (FTA) Technical Assistance and Training by \$2 million.

While the bill maintained spending levels for core public transit formula programs, many other programs funded from the General Fund saw significant cuts. Due to top-line spending cap levels, FTA capital investment grants and transit research, as well as TIGER grants and Federal Rail Administration (FRA) funding for Amtrak were among the accounts reduced below currently enacted funding levels.

In a statement released on June 1, President Obama threatened to veto the bill in its current House form, saying it "freezes or cuts critical investment in transportation that creates jobs, helps to grow the economy and improves America's roads, bridges, transit infrastructure and aviation systems, benefiting towns and cities across the United States."



**Budget Impact**

AB 338 could provide a new operating funding source for Foothill Transit.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Reyno".

David Reyno  
Director of Government Relations

A handwritten signature in blue ink, appearing to read "Doran J. Barnes".

Doran J. Barnes  
Executive Director

## 2015 Legislation Summary

Current as of 6/12/2015

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
AB 338	Hernandez	Would authorize the Los Angeles County Metropolitan Transportation Authority to impose, by ordinance, an additional local, countywide, one-half-cent sales tax for up to 30 years. Requires Metro to adopt the ordinance and submit the proposal to the voters; and specifies that the ordinance only becomes operative if approved by two-thirds of the voters voting on the measure. Requires Metro to allocate 20% of the revenues for bus operations and that these revenues must be allocated based on formulas in existing law.	This bill would provide a new operating funding source for Foothill Transit.	Senate Committee on Transportation & Housing		Support
AB 857	Perea	Creates the Technology Program pursuant to SB 1204 (Lara), Chapter 524, Statutes of 2013, supported by Foothill Transit to fund the development of zero and near zero emission truck, bus, and off-road vehicle and equipment technologies to be administered by the Air Resources Board in conjunction with the California Energy Commission. The bill would provide that the funding for the program would come out of the Greenhouse Gas Reduction Fund (Cap & Trade Auction Funds), and would prioritize projects located in disadvantaged communities.	This bill may provide a new funding source for Foothill Transit electric and CNG buses.	Assembly Committee on Transportation		Support Position Adopted 4/24/2015
AB 1205	Bloom	In 2012 and 2014, the California Transit Association (CTA) sponsored legislation which provided transit agencies with temporary relief from California's decades-old bus axle weight limits. The temporary provisions of the most recent measure, AB 1720 (Bloom, Chapter 263, Statutes of 2014), are now set to expire at the end of 2015, reinstating an unworkable 20,500 lb./axle limit and impacting various stakeholders, including cities, counties, public transit agencies, and private sector bus suppliers. The CTA continues to work with impacted stakeholders to craft a long-term solution, acceptable to all parties,	This bill will continue to protect Foothill Transit from being subject to citations and costly permits until a reasonable solution can be determined.	Assembly Committee on Rules	CTA - Support	Support Position Adopted 4/24/2015

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		that recognizes the challenges of the current axle weight limit. AB 1205 will serve as the vehicle for such a solution, if and when one emerges. The majority of Foothill Transit's fleet, along with those of most, if not all, transit agencies throughout the state exceeds this over quarter century old statute due to mandated clean air, safety, disability laws and advances in bus technology.				
ACA 4	Frazier	Existing law under the California Constitution requires the approval of 2/3 of the voters of the city, county, or special district voting on any new or increase of an existing tax. ACA 4 would provide that the imposition, extension or increase of a special tax by a local government for the purpose of providing funding for local transportation projects requires the approval of 55% of its voters voting on the proposition.	The new voter approval threshold could lead to more transportation and transit money and mean additional funding for Foothill Transit.	Assembly Committee on Transportation	CTA - Support	Support
SB 16	Beall	This bill is a comprehensive funding package that would dedicate \$3 billion-\$3.5 billion to transportation annually for the next five years and generate this new revenue by increasing several taxes and fees including the excise tax on gasoline by 10 cents in year one; the excise tax on diesel fuel by 12 cents in year one; the vehicle license fee by 35 percent over five years; the vehicle registration fee by \$35; create a new vehicle registration fee of \$100 for zero-emission vehicles; and repay transportation loans. SB 16 is the first of what is likely to be multiple transportation funding proposals put forward by the Legislature, designed to address California's projected \$59 billion backlog of deferred maintenance on the state highway system, and roughly \$78 billion funding shortfall for maintenance of local streets & roads.	This bill will assist Foothill Transit's commitment to safety by repairing long overdue maintenance needs of our local streets and roads and state highway system. We urge Senator Beall to include dedicated transit funding in this important bill.	Senate Appropriations	CTA - Support	<b>Support Position Adopted 5/29/2015</b>

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SB 391	Huff	Specific sections of the penal code have long provided for the criminal prosecution of individuals who commit assault or battery against transit employees. Due to flexibility in current law, which provides for probation in place of jail time, most assailants avoid serious consequences. SB 391 would increase penalties for assaults committed against transit employees and to remove a provision in state law that allows assailants to escape jail time.	This bill will assist Foothill Transit in keeping our employees safe and require harsh penalties for those who may cause them harm.	Senate Committee on Public Safety	CTA, Metro - Support	Support Position Adopted 4/24/2015
SB 413	Wiechowski	Would amend the Public Utilities Code and the Penal Code to allow transit agencies to use an administrative process to cite and process minors in violation of specified prohibited acts (e.g. fare evasion, smoking where prohibited, unauthorized sale of goods) occurring on transit properties. Additionally, this proposal would make it a violation for failing to yield seating reserved for elderly and disabled individuals, and clarify what constitutes a noise violation on a transit property.	This bill would allow Foothill Transit to impose and enforce certain administrative penalties for passenger misconduct on or in a Foothill Transit facility or vehicle.	Senate Committee on Transportation & Housing	CTA - Support	Support Position Adopted 4/24/2015
SB 508	Beall	Transit operators across the state are required to meet specified farebox recovery and operating cost criteria in order to be eligible to receive funds from the Transportation Development Act (called Local Transportation Fund dollars) and/or the State Transit Assistance (STA) program, if those funds are to be used for operating purposes. SB 508 would address the challenges posed by this rigid funding mechanism by creating more flexible farebox recovery and operating cost criteria, and by rationalizing the penalties for non-compliance.	This bill would allow Foothill Transit to continue to receive a certain amount of state transit funding in case of an agency economic or low ridership challenge.	Senate Committee on Transportation & Housing	CTA - Support	Support Position Adopted 4/24/2015
SB 767	DeLeon	Allows the Los Angeles County Metropolitan Transportation Authority (Metro) to exceed the 2% statutory limitation on local transactions and use taxes by 1%. Authorizes Metro to impose, by ordinance,	This bill would provide a new operating funding source for Foothill Transit.	Senate Floor	Metro - Support	<b>Support Position adopted 5/29/2015</b>

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		an additional local, countywide, one-half-cent sales tax for a period to be determined by Metro. Requires Metro to adopt the ordinance and submit the proposal to the voters. Specifies that the ordinance only becomes operative if approved by two-thirds of the voters voting on the measure. SB 767 will attempt to address the funding shortfall of Measure R. Instead of seeking to extend Measure R, the author of this bill is authorizing Metro to propose to voters another half-cent sales tax. This new authorization would not contain the required projects of past measures, or the restrictions of past legislation, but is somewhat a "clean slate" from which Metro can build a new expenditure plan and funding prioritization.				
SCA 7	Huff	<b>Would increase funding for transportation infrastructure by \$2.9 billion per year with an additional \$2.4 billion in one-time funds. The funding would come from: 1) End the diversion of more \$1 billion in transportation taxes every year. Spend this money on roads, highways and bridges; 2) Repay all outstanding transportation loans to the General Fund and direct that money to transportation improvements; 3) Make significant efficiency improvements at the State Department of Transportation; 4) Direct money from Cap and Trade funds that are related to fuel to fixing roads.</b>	<b>This bill will assist Foothill Transit's commitment to safety by repairing long overdue maintenance needs of our local streets and roads and state highway system.</b>	<b>Senate Committee on Transportation &amp; Housing</b>		<b>Support</b>
H.R. 680	Blumenauer	Our transportation infrastructure is increasingly outdated and inadequate. In 2011, the Federal Highway Administration (FHA) estimated that over \$70.9 billion worth of repairs are needed merely to maintain safe bridges. Inflation and increased fuel efficiency has led to declining gas tax receipts and the gas tax has lost nearly 40% of its purchasing power since it	A consistent, reliable and stable federal funding program would allow Foothill Transit and all U.S. transportation agencies and companies to budget for the long term.	House Committee on Ways and Means	APTA - Supports	Support Position Adopted 2/27/2015

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		was last raised in 1993. The decline will continue as cars become more efficient and people drive less. Vehicle miles traveled per capita declined last year for the ninth year in a row. Because Congress has not addressed the Highway Trust Fund's (HTF) insolvency, the fund will be exhausted this summer and states will begin cutting back on projects. To maintain current funding levels, the HTF will need \$100 billion in addition to current tax receipts in the next five years. Failure to act will result in a 30% reduction in federal transportation spending over the next decade. The Update, Promote, and Develop America's Transportation Essentials (UPDATE) Act (Blumenauer (D-OR), would phase in a nickel a gallon tax increase over each of the next three years on gasoline and diesel that would be dedicated to public transportation and highway programs, index those taxes to inflation and examine ways to replace the taxes with a longer-term stable source of funding.				